

FILED IN THE  
U.S. DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON

Oct 18, 2024

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UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WASHINGTON

UNITED STATES OF AMERICA,

Plaintiff,

v.

WILLIAM PHILIP WERSCHLER,  
A/K/A WILLIAM PHILIP  
WERSCHLER, JR.,

SPOKANE DERMATOLOGY CLINIC,  
P.S.,

PREMIER CLINICAL RESEARCH,  
L.L.C., and

3RD & SHERMAN PLAZA, L.L.C.,

Defendants.

Case No. 2:24-CR-141-TOR

INDICTMENT

Vio: 18 U.S.C. § 1349

Conspiracy  
(Count 1)

18 U.S.C. § 1343

Wire Fraud  
(Counts 2–18)

18 U.S.C. §§ 287, 2

False, Fictitious, or Fraudulent  
Claims

(Counts 19–23)

18 U.S.C. § 981, 28 U.S.C.

§ 2461

Forfeiture Allegations

The Grand Jury charges:

GENERAL ALLEGATIONS

1. At all times relevant to this Indictment, Defendant WILLIAM PHILIP WERSCHLER a/k/a William Philip Werschler, Jr., (hereinafter WILLIAM PHILIP WERSCHLER) was a resident of Spokane, Washington, and an owner of

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1 Defendants SPOKANE DERMATOLOGY CLINIC, P.S., PREMIER CLINICAL  
2 RESEARCH, L.L.C., and 3RD & SHERMAN PLAZA, L.L.C.

3 2. Defendant SPOKANE DERMATOLOGY CLINIC, P.S.,<sup>1</sup> was  
4 incorporated in the State of Washington in 1996, listing Defendant WILLIAM  
5 PHILIP WERSCHLER as the only member of the board of directors. According to  
6 the annual report filed on or about September 9, 2024, with the Washington  
7 Secretary of State, Defendant SPOKANE DERMATOLOGY CLINIC, P.S.'s  
8 governors are Defendant WILLIAM PHILIP WERSCHLER and his wife, and its  
9 principal office address is 324 S. Sherman St., Spokane, Washington.

10 3. Defendant PREMIER CLINICAL RESEARCH, L.L.C.,<sup>2</sup> is a limited  
11 liability company organized in the State of Nevada, and which registered with the  
12 Washington Secretary of State as a foreign company on or about April 5, 2006.  
13 According to the annual report filed on or about March 12, 2024, with the  
14 Washington Secretary of State, Defendant PREMIER CLINICAL RESEARCH,  
15 L.L.C.'s governors are Defendant WILLIAM PHILIP WERSCHLER and his wife,  
16 and its principal office address is 324 S. Sherman St., Spokane, Washington.

17 4. Defendant 3RD & SHERMAN PLAZA, L.L.C.,<sup>3</sup> is a limited liability  
18 company formed in the State of Washington on or about February 20, 2013, for the  
19 stated purpose to "[o]wn, acquire, hold, pledge, transfer, dispose, sell, develop,  
20 convey real estate" and "any lawful purpose." The Certificate of Formation listed  
21 Defendant WILLIAM PHILIP WERSCHLER and one other individual as executors  
22 and listed the company's physical address as 323 S. Grant Street, Spokane,  
23 Washington. According to the annual report filed on January 16, 2024, with the  
24 Washington Secretary of State, Defendant 3RD & SHERMAN PLAZA, L.L.C.'s

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26 <sup>1</sup> Sometimes referred to as "SDC."

27 <sup>2</sup> Sometimes referred to as "PCR."

28 <sup>3</sup> Sometimes referred to as "3ns."

1 governors are Defendant WILLIAM PHILIP WERSCHLER and his wife, and its  
2 principal office address is 324 S. Sherman St., Spokane, Washington.

3 5. C.C. was a resident of Spokane, Washington, and began working for  
4 Defendant WILLIAM PHILIP WERSCHLER beginning in or around March 2020.  
5 C.C.'s duties included performing bookkeeping and accounting work for Defendants  
6 WILLIAM PHILIP WERSCHLER, SPOKANE DERMATOLOGY CLINIC, P.S.,  
7 PREMIER CLINICAL RESEARCH, L.L.C., and 3RD & SHERMAN PLAZA,  
8 L.L.C.

9 6. The Coronavirus Aid, Relief, and Economic Security Act (CARES Act)  
10 was a federal law enacted on March 27, 2020, designed to provide emergency  
11 financial assistance to the millions of Americans who were suffering the economic  
12 effects caused by the COVID-19 pandemic. One source of relief provided by the  
13 CARES Act was the authorization of COVID-19 related funding for the Economic  
14 Injury Disaster Loan (EIDL) program. EIDL is a Small Business Administration  
15 (SBA) program that provides low-interest funding to small businesses, renters, and  
16 homeowners affected by declared disasters.

17 7. In order to obtain an EIDL, a qualifying business was required to submit  
18 an application to the SBA and provide information about its operations, such as the  
19 number of employees, gross revenues for the 12-month period preceding the  
20 disaster, and cost of goods sold in the 12-month period preceding the disaster. In  
21 the case of EIDLs for COVID-19 relief, the 12-month period was the year preceding  
22 January 31, 2020. The applicant was also required to certify that all the information  
23 in the application was true and correct to the best of the applicant's knowledge.

24 8. The amount of an EIDL, if the application was approved, was  
25 determined based, in part, on the information provided in the application about  
26 employment, revenue, and cost of goods, as set forth above. Any funds issued under  
27 an EIDL or advance were issued directly by the SBA. EIDL funds could be used for  
28 payroll expenses, employee sick leave, production costs, and business obligations

1 and expenses, such as business debts, office rent, and office mortgage payments.  
2 EIDL funds were not to be used for personal purposes or to obtain real property or  
3 to pay off debts that were not yet due and owing, such as paying more than a required  
4 monthly payment on a mortgage or other loan. EIDL funds were subject to a fixed  
5 interest rate of 3.75% for businesses and a 30-year repayment term.

6 9. EIDL applications were received in cloud-based platforms. The  
7 location of the server through which the EIDL application was submitted was based  
8 on the date the application was processed by SBA and the application number. EIDL  
9 disbursements were initiated by the SBA Denver Finance Center located in Denver,  
10 Colorado, which transmitted the payment information through the SBA's Financial  
11 Management System (FMS) via interstate wires to the Department of Treasury for  
12 final disbursement.

13 10. As initially funded, the SBA's COVID-19 EIDL program had a  
14 maximum loan cap of \$150,000. On or about April 6, 2021, the maximum loan cap  
15 was raised to \$500,000. Borrowers were allowed to request additional funds at this  
16 point in what was called a "modification" of the original EIDL application up to a  
17 total loan amount of the \$500,000 maximum. On or about September 8, 2021, the  
18 maximum loan cap was raised to \$2,000,000. Again, borrowers could request  
19 additional funds as part of another modification of the original loan amount, up to  
20 the \$2,000,000 maximum.

21 11. To request a modification, borrowers were required to log into the  
22 SBA's Rapid Finance system servers located in Des Moines, Iowa. Through the  
23 portal, borrowers would be able to request a modification up to the then-maximum  
24 amount for which they were eligible. An Amended Loan Authorization and  
25 Agreement and an Amended Security Agreement were required to be completed and  
26 submitted to the SBA's Rapid Finance system servers located in Des Moines, Iowa  
27 by the borrower prior to SBA authorizing the disbursement of any increased EIDL  
28 funds. EIDL modification disbursements were initiated by the SBA Denver Finance

1 Center located in Denver, Colorado, which transmitted the payment information via  
2 interstate wires through the SBA FMS to the Department of Treasury for final  
3 disbursement.

4 The Scheme

5 12. The allegations in paragraphs 1 through 11 of this Indictment are  
6 incorporated as though realleged herein.

7 13. Beginning no later than on or about April 2, 2020, and continuing  
8 through at least August 2, 2022, in the Eastern District of Washington and elsewhere,  
9 Defendant WILLIAM PHILIP WERSCHLER and others known and unknown to  
10 the Grand Jury devised and intended to devise a scheme to defraud the SBA, and to  
11 obtain money and property by means of materially false and fraudulent pretenses,  
12 representations, and promises.

13 14. Specifically, Defendant WILLIAM PHILIP WERSCHLER and others  
14 known and unknown to the Grand Jury applied for and received at least three EIDL  
15 loans with later requests for modifications on behalf of Defendants SPOKANE  
16 DERMATOLOGY CLINIC, P.S., PREMIER CLINICAL RESEARCH, L.L.C., and  
17 3RD & SHERMAN PLAZA, L.L.C., with the intent to defraud, steal, and convert  
18 proceeds of the EIDL loans for Defendant WILLIAM PHILIP WERSCHLER's  
19 personal use and for use by other companies, contrary to pretenses, representations,  
20 and promises made and caused to be made by Defendant WILLIAM PHILIP  
21 WERSCHLER when applying for and obtaining the EIDL funds. These  
22 unauthorized and improper uses of EIDL funds included luxury vehicles, personal  
23 properties, and real estate purchased by other companies than those that received the  
24 EIDL funds.

25 Manner and Means

26 PREMIER CLINICAL RESEARCH, L.L.C.

27 15. On or about July 21, 2020, Defendant WILLIAM PHILIP  
28 WERSCHLER, submitted and caused to be submitted EIDL Application No.  
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1 3311496154 to the SBA under the name of Defendant PREMIER CLINICAL  
2 RESEARCH, L.L.C. This application was submitted via interstate wires from IP  
3 address 50.210.63.145 to the SBA's Rapid Finance servers in Des Moines, Iowa.  
4 Records from Comcast show that between March 26, 2020, and June 21, 2024, IP  
5 address 50.210.63.145 was assigned to Defendant 3RD & SHERMAN PLAZA,  
6 L.L.C. with a service address of 324 S. Sherman St., Bldg A, Spokane, Washington.  
7 The application listed Defendant WILLIAM PHILIP WERSCHLER as the sole  
8 owner of the business.

9 16. On or about November 25, 2020, Defendant WILLIAM PHILIP  
10 WERSCHLER electronically signed and caused to be signed a Loan Authorization  
11 and Agreement (LA&A) for Application No. 3311496154 and submitted it to the  
12 SBA via interstate wires from IP address 50.210.63.145. In the LA&A, Defendant  
13 WILLIAM PHILIP WERSCHLER agreed, promised, and represented that  
14 Defendant PREMIER CLINICAL RESEARCH, L.L.C. would use the EIDL funds,  
15 "solely as working capital to alleviate economic injury caused by disaster."  
16 Defendant WILLIAM PHILIP WERSCHLER also agreed, promised, and  
17 represented that he would not, without prior written consent of the SBA, make any  
18 distribution of Defendant PREMIER CLINICAL RESEARCH, L.L.C.'s assets by  
19 way of loan, gift, bonus, or otherwise to any company owner, partner, or employee,  
20 or to any company directly or indirectly controlling, affiliated with, or controlled by  
21 Defendant PREMIER CLINICAL RESEARCH, L.L.C. In signing the LA&A,  
22 Defendant WILLIAM PHILIP WERSCHLER agreed to be bound by its terms and  
23 conditions.

24 17. On or about November 25, 2020, Defendant, WILLIAM PHILIP  
25 WERSCHLER also electronically signed and caused to be signed a Security  
26 Agreement for Application No. 3311496154 and submitted it to the SBA via  
27 interstate wires from IP address 50.210.63.145. In the Security Agreement,  
28 Defendant WILLIAM PHILIP WERSCHLER agreed, promised, and represented



1 that none of the \$150,000 in obligated EIDL funds “are or will be primarily for  
2 personal, family, or household purposes.” Defendant WILLIAM PHILIP  
3 WERSCHLER also represented in the Security Agreement that he had read and  
4 understood the meaning and effect all its terms.

5 18. On or about November 27, 2020, as a result the representations and  
6 promises made and caused to be made by Defendant WILLIAM PHILIP  
7 WERSCHLER in the LA&A and Security Agreement relating to EIDL Loan  
8 Application No. 3311496154, the SBA approved the requested EIDL in the amount  
9 of \$150,000. A third-party UCC handling charge of \$100 was deducted from the  
10 loan amount prior to disbursement. On or about November 30, 2020, the SBA,  
11 through the use of interstate wires, made an Electronic Funds Transfer (“EFT”) from  
12 the FMS servers in Sterling, Virginia, of \$149,900 in EIDL funding to Defendant  
13 PREMIER CLINICAL RESEARCH, L.L.C.’s bank account at Mountain West Bank  
14 ending in -7658 located in Spokane, Washington. The approved loan was assigned  
15 SBA Loan No. 9234608204.

16 19. On February 18, 2021, SBA received a request to reconsider the amount  
17 of Defendant PREMIER CLINICAL RESEARCH, L.L.C.’s EIDL. This request  
18 was denied as the EIDL of \$150,000 was at the current program maximum and SBA  
19 was unable to increase the amount.

20 20. On or about April 6, 2021, the SBA raised the maximum amount of an  
21 EIDL to \$500,000. On or about April 21, 2021, C.C. texted Defendant WILLIAM  
22 PHILIP WERSCHLER, “I’m working on increasing the EIDL loans. The max  
23 amount is \$500k, it used to be \$150k. We need to call the SBA tomorrow, and let  
24 them know it’s ok to talk to me about the loans otherwise they won’t.” Defendant  
25 WILLIAM PHILIP WERSCHLER replied, “Ok, that’s great news.”

26 21. On or about April 26, 2021, Defendant WILLIAM PHILIP  
27 WERSCHLER submitted and caused to be submitted, via interstate wires, a request  
28 for a modification of EIDL application No. 3311496154-Mod-1 (SBA Loan No.

1 9234608204) in the name of Defendant PREMIER CLINICAL RESEARCH, L.L.C.  
2 and seeking additional EIDL funds.

3 22. As part of the modification process, on or about July 21, 2021,  
4 Defendant WILLIAM PHILIP WERSCHLER electronically signed and caused to  
5 be signed an Amended LA&A for the modification of EIDL Application No.  
6 3311496154-Mod-1 (SBA Loan No. 9234608204) and submitted it to the SBA via  
7 interstate wires from IP address 50.210.63.145. In the Amended LA&A, Defendant  
8 WILLIAM PHILIP WERSCHLER agreed, promised, and represented that  
9 Defendant PREMIER CLINICAL RESEARCH, L.L.C. would use the EIDL funds,  
10 “solely as working capital to alleviate economic injury caused by disaster.”  
11 Defendant WILLIAM PHILIP WERSCHLER also agreed, promised, and  
12 represented that he would not, without prior written consent of the SBA, make any  
13 distribution of Defendant PREMIER CLINICAL RESEARCH, L.L.C. assets by way  
14 of loan, gift, bonus, or otherwise to any company owner, partner, or employee, or to  
15 any company directly or indirectly controlling, affiliated with, or controlled by  
16 Defendant PREMIER CLINICAL RESEARCH, L.L.C. In signing the Amended  
17 LA&A, Defendant WILLIAM PHILIP WERSCHLER agreed to be bound by its  
18 terms and conditions.

19 23. On or about July 21, 2021, Defendant, WILLIAM PHILIP  
20 WERSCHLER also electronically signed and caused to be signed an Amended  
21 Security Agreement for Application No. 3311496154 (SBA Loan No. 9234608204)  
22 and submitted it to the SBA via interstate wires from IP address 50.210.63.145. In  
23 the Amended Security Agreement, Defendant WILLIAM PHILIP WERSCHLER  
24 agreed, promised, and represented that none of the \$500,000 in obligated EIDL  
25 funds “are or will be primarily for personal, family, or household purposes.”  
26 Defendant WILLIAM PHILIP WERSCHLER also represented in the Amended  
27 Security Agreement that he had read and understood the meaning and effect all its  
28 terms.



1        24. On or about July 24, 2021, as a result of the false representations,  
2 pretenses, and promises made and caused to be made by Defendant WILLIAM  
3 PHILIP WERSCHLER in the Amended LA&A and Amended Security Agreement  
4 for EIDL Loan Application No. 3311496154-Mod-1 (SBA Loan No. 9234608204),  
5 the SBA approved the requested EIDL modification, increasing the amount of the  
6 EIDL to \$500,000. As such, the SBA authorized the disbursement of an additional  
7 \$350,000 to Defendant PREMIER CLINICAL RESEARCH, L.L.C.

8        25. On or about July 27, 2021, the SBA, through the use of interstate wires,  
9 completed an EFT from the FMS servers in Sterling, Virginia, of \$350,000 in EIDL  
10 funding to Defendant PREMIER CLINICAL RESEARCH, L.L.C.'s account at  
11 Mountain West Bank ending in -7658 located in Spokane, Washington. SBA  
12 disbursed these EIDL funds to Defendant PREMIER CLINICAL RESERCH,  
13 L.L.C., solely to provide working capital to that company to alleviate economic  
14 injury caused by the COVID-19 disaster.

15        26. On or about July 28, 2021, C.C. texted Defendant WILLIAM PHILIP  
16 WERSCHLER and his wife, "We talked about paying down another riverbank loan  
17 with the EIDL. The EIDL has a lower interest rate at 3.75% and the river bank loans  
18 are at 4.28% and 4.48%." Defendant WILLIAM PHILIP WERSCHLER later  
19 replied, "Great. Pay off highest interest of course." He continued, "Saving 77 basis  
20 points." Defendant WILLIAM PHILIP WERSCHLER then directed, "Ok. Let's  
21 pay off the \$287 And wait until we hear on the 2nd EIDL increase."

22        27. On or about July 28, 2021, C.C. texted Defendant WILLIAM PHILIP  
23 WERSCHLER that she had the loan pay off amount for 334 Grant St., which was  
24 \$286,792.42, and asked if she could have his wife sign a check to pay it off.  
25 Defendant WILLIAM PHILIP WERSCHLER replied, "Yes please." On or about  
26 July 28, 2021, C.C. texted Defendant WILLIAM PHILIP WERSCHLER and his  
27 wife, "Check from PCR is signed! I'm bringing it to Riverbank today." Defendant  
28 WILLIAM PHILIP WERSCHLER electronically "liked" the message.

1        28. On or about July 30, 2021, Defendant WILLIAM PHILIP  
2 WERSCHLER caused check #5303 to be issued from the account to the order of  
3 “Riverbank” in the amount of \$286,792.42 with the memo of “Loan Pay off for 334  
4 S. Grant – Loan #1730.”

5        29. On or about July 28, 2021, \$286,792.42 was credited to pay off the  
6 entire remaining balance of Riverbank Loan No. 1730. Riverbank records show that  
7 Loan No. 1730 was a business line of credit applied for in the name of Defendant  
8 WILLIAM PHILIP WERSCHLER and his wife in October 2019. Defendant  
9 SPOKANE DERMATOLOGY CLINIC, P.S., was the guarantor of the loan. On or  
10 about December 5, 2019, Defendant WILLIAM PHILIP WERSCHLER drew  
11 \$328,000 from the line of credit with \$323,512.61 to be a payment on Loan No. 1555  
12 and \$4,487.39 to be paid for various charges related to a real estate transaction. The  
13 specific purpose for the draw was listed as “TERM OUT EXISTING  
14 COMMERCIAL REAL ESTATE NOTE.”

15        30. On or about August 8, 2021, Defendant WILLIAM PHILIP  
16 WERSCHLER entered into a residential real estate purchase contract for 7611 E.  
17 Medlock Dr., Scottsdale, Arizona, for a total purchase price of \$575,000.00. On or  
18 about August 10, 2021, Defendant WILLIAM PHILIP WERSCHLER wired  
19 \$10,000 from his personal checking account at Riverbank ending in -3522 as earnest  
20 money for the purchase.

21        31. On or about August 18, 2021, Defendant WILLIAM PHILIP  
22 WERSCHLER texted C.C. that the realtor wanted to know if his wife “was on the  
23 deed for house in AZ or would it be quit claim.” He then wrote, “Going to have to  
24 get her liquored up and tell her.”

25        32. On or about August 20, 2021, Defendant WILLIAM PHILIP  
26 WERSCHLER texted C.C. that the closing should be on August 25th. He then  
27 wrote, “I might need your help moving funds around the 23rd. Will put [sic] be  
28 available?” C.C. replied, “I think we will need to do a cashiers check. I’ll double

1 check, but let's get started on Monday. Riverbank is so relax, idk if mt west will  
2 have the same policy." Defendant WILLIAM PHILIP WERSCHLER later texted  
3 C.C.:

4  
5 This is what I sent to Jim at RB today:

6 Hi Jim, happy Friday. I hope you're golfing, beautiful day.

7 Update on the Scottsdale townhouse.

8 Looking at closing on the 25th of this month.

9 I will need to move some funds around. Looking at advancing 400k  
from personal loc into SDC.

10 SDC will be paying an internal loan to 3rd & Sherman is why. 3rd &  
11 Sherman will be the buyer of the house. To recall, 3rd & Sherman is all  
property LLC.

12 Then we will use ~ 160-170k in 3rd & Sherman money for the balance.  
13 The total is ~ 575k + my share of closing costs, taxes, HOA, etc. figure  
585 or so. Still waiting on the final number.

14 I put 10k down for earnest \$.

15 Anything beyond the 400k + what 3rd & Sherman has available I will  
use personal funds in our RB acct.

16 Once we get everything figured out, I'll have RB do a wire as we're  
doing a remote signing.

17 I will have [C.C.] our finance person coordinate all the  
18 transfers/advances with RB.

19 Hope that makes sense. Text or call if you have any questions. I'm  
around this weekend.

20  
21 C.C. replied, "Perfect. Nailed it." Defendant WILLIAM PHILIP WERSCHLER  
22 later texted that his wife "doesn't need to sign, it's the 3<sup>rd</sup> & Sherman LLC that is  
23 the buyer."

24 33. On or about August 23, 2021, Defendant WILLIAM PHILIP  
25 WERSCHLER texted C.C., "What's the game plan for moving funds?" C.C.  
26 replied, "Ok I think we can do a wire from Riverbank to Mt West." C.C. then later  
27 texted Defendant WILLIAM PHILIP WERSCHLER, "Have riverbank move \$400k  
28 from your personal LOC to SDC. I can work on everything else after that!"

1 Defendant WILLIAM PHILIP WERSCHLER electronically “liked” this text  
2 message.

3 34. On or about August 23, 2021, \$100,969.79 was transferred from  
4 Defendant PREMIER CLINICAL RESEARCH, L.L.C.’s Mountain West Bank  
5 account ending in -7658, to Defendant 3RD & SHERMAN PLAZA, L.L.C.’s  
6 Mountain West Bank account ending in -9367. Mountain West Bank account ending  
7 in -7658 was the account into which the SBA had disbursed \$350,000 in EIDL funds  
8 on July 27, 2021, for use solely as working capital for Defendant PREMIER  
9 CLINICAL RESEARCH, L.L.C., and of which \$286,792.42 had previously been  
10 used to pay off Loan No. 1730 on or about July 30, 2021, at the direction of  
11 Defendant WILLIAM PHILIP WERSCHLER.

12 35. On or about August 24, 2021, C.C. texted Defendant WILLIAM  
13 PHILIP WERSCHLER, “You only have \$200k in your personal line of credit.” He  
14 replied, “It’s supposed to be \$500k.” C.C. replied, “We can take the other \$200k  
15 from the business LOC for now.” Defendant WILLIAM PHILIP WERSCHLER  
16 later texted C.C., “If we need to just use the SDC loc but I want to get the wire done  
17 today.”

18 36. On or about August 24, 2021, an additional \$400,000 was wired to  
19 Defendant 3RD & SHERMAN PLAZA, L.L.C.’s Mountain West Bank account  
20 ending in -9367 from the Defendant SPOKANE DERMATOLOGY CLINIC, P.S.’s  
21 Riverbank account ending in -4229. Information provided with the wire indicated,  
22 “Memo: Pay down intercompany \*loan\*.” These funds had been deposited into the  
23 Riverbank account on August 23, 2021, from Riverbank business Loan No. 729 in  
24 the name of Defendant SPOKANE DERMATOLOGY CLINIC, P.S. with the note,  
25 “Personal. Will reimburse with personal L.” As detailed below, Defendant  
26 WILLIAM PHILIP WERSCHLER would subsequently, on or about October 5,  
27 2021, use \$200,000 in EIDL funds disbursed to Defendant SPOKANE  
28 DERMATOLOGY CLINIC, P.S., to repay a portion of the \$400,000 from

1 Riverbank Loan No. 729 that was used to fund the purchase of 7611 E. Medlock Dr.,  
2 Scottsdale, Arizona.

3 37. On or about August 25, 2021, a wire transfer was completed from  
4 Defendant 3RD & SHERMAN PLAZA, L.L.C.'s account ending in -9367 to First  
5 American Title Insurance in the amount of \$566,720.87. Records from First  
6 American Title Insurance indicate that the wire of \$566,720.87 from Defendant 3RD  
7 & SHERMAN PLAZA, L.L.C.'s account ending in -9367 completed the purchase  
8 of 7611 E. Medlock Dr., Scottsdale, Arizona. On or about August 24, 2021, a  
9 Warranty Deed was executed conveying 7611 E. Medlock Dr., Scottsdale, Arizona,  
10 to Defendant 3RD & SHERMAN PLAZA, L.L.C.

11 38. On or about December 16, 2021, Defendant WILLIAM PHILIP  
12 WERSCHLER signed and executed a Warranty Deed on behalf of Defendant 3RD  
13 & SHERMAN PLAZA, L.L.C., conveying 7611 E. Medlock Dr., Scottsdale,  
14 Arizona, from the company to Defendant WILLIAM PHILIP WERSCHLER and  
15 his wife in consideration of \$10.00. 7611 E. Medlock Dr. is a residential property  
16 that was used for personal use.

17 39. On or about September 8, 2021, the SBA raised the maximum EIDL  
18 amount to \$2,000,000. On or about September 10, 2021, C.C. texted Defendant  
19 WILLIAM PHILIP WERSCHLER and his wife the following SBA website  
20 screenshot that discussed increasing the EIDL cap to \$2,000,000:

21 //

22 //

23 //

24 //

25 //

26 //

27 //

28 //





C.C. then wrote "Increase from 500k to \$2 million" and "Maybe round 3 PPP." Defendant WILLIAM PHILIP WERSCHLER replied, "Yes!!!!"

40. On or about September 12, 2021, C.C. texted Defendant WILLIAM PHILIP WERSCHLER, "I applied to increase PCR's SBA loan last night lol. No update on SDC yet and 3rd and Sherman... most likely not." Later, C.C. texted the following image of EIDL rules regarding the use of EIDL funds to Defendant WILLIAM PHILIP WERSCHLER:

//



### Uses of Proceeds

Working capital to make regular payments for operating expenses, including payroll, rent/mortgage, utilities, and other ordinary business expenses, and to pay business debt incurred at any time (past present or future)

Feedback

C.C. then wrote, “Changes to use of proceeds,” “And deferred payments for 2 years.” Defendant WILLIAM PHILIP WERSCHLER replied, “Free \$!”

41. On or about September 12, 2021, Defendant WILLIAM PHILIP WERSCHLER submitted and caused to be submitted, via interstate wires, a request for a modification of EIDL Application No. 3311496154-Mod-2 (SBA Loan No. 9234608204), in the name of Defendant PREMIER CLINICAL RESEARCH, L.L.C. and seeking additional EIDL funds.

42. On or about September 30, 2021, Defendant WILLIAM PHILIP WERSCHLER texted to C.C. that his wife “is telling me we are broke. I want a GT3. Men are from Mars, women from Venus. Alas....” On or about December 16, 2021, Defendant WILLIAM PHILIP WERSCHLER texted C.C., “I found a GT3....” C.C. inquired, “How much,” and he responded, “Not sure. I’m getting a PPI then negotiate.”

43. On or about January 6, 2022, C.C. texted Defendant WILLIAM PHILIP WERSCHLER, “Guess what? PCR got the \$2 mil increase.” Defendant WILLIAM PHILIP WERSCHLER replied, “Lol.”

44. As part of the second modification process, on or about January 6, 2022, Defendant WILLIAM PHILIP WERSCHLER electronically signed and caused to be signed another Amended LA&A for the second modification of EIDL Application No. 3311496154-Mod-2 (SBA Loan No. 9234608204) and submitted it

1 to the SBA via interstate wires from IP address 50.210.63.145. In the second  
2 Amended LA&A, Defendant WILLIAM PHILIP WERSCHLER agreed, promised,  
3 and represented that Defendant PREMIER CLINICAL RESEARCH, L.L.C. would  
4 use the EIDL funds, “solely as working capital to alleviate economic injury caused  
5 by disaster.” Defendant WILLIAM PHILIP WERSCHLER also agreed, promised,  
6 and represented that he would not, without prior written consent of the SBA, make  
7 any distribution of Defendant PREMIER CLINICAL RESEARCH, L.L.C.’s assets  
8 by way of loan, gift, bonus, or otherwise to any company owner, partner, or  
9 employee, or to any company directly or indirectly controlling, affiliated with, or  
10 controlled by Defendant PREMIER CLINICAL RESEARCH, L.L.C. In signing the  
11 second Amended LA&A, Defendant WILLIAM PHILIP WERSCHLER agreed to  
12 be bound by its terms and conditions.

13 45. On or about January 6, 2022, Defendant, WILLIAM PHILIP  
14 WERSCHLER also electronically signed and caused to be signed a second Amended  
15 Security Agreement for Application No. 3311496154 (SBA Loan No. 9234608204)  
16 and submitted it to the SBA via interstate wires from IP address 50.210.63.145. In  
17 the Security Agreement, Defendant WILLIAM PHILIP WERSCHLER agreed,  
18 promised, and represented that none of the \$2,000,000 in obligated EIDL funds “are  
19 or will be primarily for personal, family, or household purposes.” Defendant  
20 WILLIAM PHILIP WERSCHLER also represented in the second Amended  
21 Security Agreement that he had read and understood the meaning and effect all its  
22 terms.

23 46. On or about January 9, 2022, as a result of the false representations,  
24 pretenses, and promises made and caused to be made by Defendant WILLIAM  
25 PHILIP WERSCHLER in the second Amended LA&A and second Amended  
26 Security Agreement for EIDL Loan Application No. 3311496154-Mod-2 (SBA  
27 Loan No. 9234608204), the SBA approved the requested EIDL modification,  
28 increasing the amount of the EIDL to \$2,000,000. As such, the SBA authorized the

1 disbursement of an additional \$1,500,000 to Defendant PREMIER CLINICAL  
2 RESEARCH, L.L.C.

3 47. On or about January 11, 2022, the SBA, through the use of interstate  
4 wires, completed an EFT from the FMS servers in Sterling, Virginia, of \$1,500,000  
5 in EIDL funding to Defendant PREMIER CLINICAL RESEARCH, L.L.C.'s  
6 account at Mountain West Bank ending in -7658 located in Spokane, Washington.  
7 These funds were disbursed solely to provide working capital to Defendant  
8 PREMIER CLINICAL RESEARCH, L.L.C., to alleviate economic injury caused by  
9 the COVID-19 disaster. Prior to the deposit of EIDL funds, the account had a  
10 balance of approximately \$75,531.01.

11 48. On or about January 11, 2022, C.C. texted Defendant WILLIAM  
12 PHILIP WERSCHLER and his wife, "The SBA proceeds came in this morning for  
13 PCR. \$1.5 million." Defendant WILLIAM PHILIP WERSCHLER replied, "Lol.  
14 Thanks."

15 49. On or about January 25, 2022, Defendant WILLIAM PHILIP  
16 WERSCHLER texted C.C., "Hi of the 1.4m left on the EIDL funds, where is it  
17 parked? Mtn. West, RB, Schwab?" C.C. replied, "Mt West. 1.29M - \$99k to 3ns,  
18 \$115 to sdc." Defendant WILLIAM PHILIP WERSCHLER replied, "K. Want to  
19 move to RB?" C.C. asked, "For what?" Defendant WILLIAM PHILIP  
20 WERSCHLER replied, "Was that internal loan po for SDC?" C.C. replied, "Yes."

21 50. On or about January 27, 2022, Defendant WILLIAM PHILIP  
22 WERSCHLER, under the name of Pure Performance Motorsports L.L.C., signed a  
23 buyer's order to purchase a 2011 Porsche 911 GT3 with VIN  
24 WP0AC2A97BS783331 from Ryan Friedman Motor Cars L.L.C., in Glen Cove,  
25 New York, in the total amount of \$163,687.50. On or about January 27, 2022,  
26 Defendant WILLIAM PHILIP WERSCHLER, under the name of Pure Performance  
27 Motorsports L.L.C., also signed a buyer's order to purchase a 1997 Porsche Carrera  
28 with VIN WP0CA2996VS342006 from Ryan Friedman Motor Cars L.L.C., in the

1 total amount of \$88,687.50. The total purchase price for both vehicles was  
2 \$252,375.00.

3 51. On or about January 28, 2022, C.C. wrote to Defendant WILLIAM  
4 PHILIP WERSCHLER, "Did you get a new car?!" C.C. texted Defendant  
5 WILLIAM PHILIP WERSCHLER on or about January 31, 2022, "Mt. West just  
6 reached out. Can we wire the \$ from riverbank. We can use the business LOC and  
7 I'll pay it back tomorrow. It's easier to get the wire out from RB today. If we do it  
8 from Mt West, i will need to come down and have you sign a form and then drop it  
9 off at the branch." Defendant WILLIAM PHILIP WERSCHLER replied, "ok."

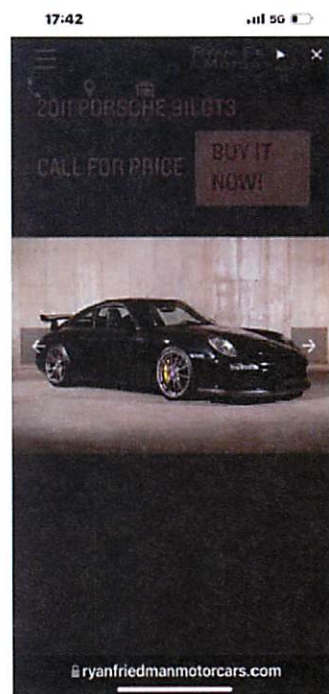
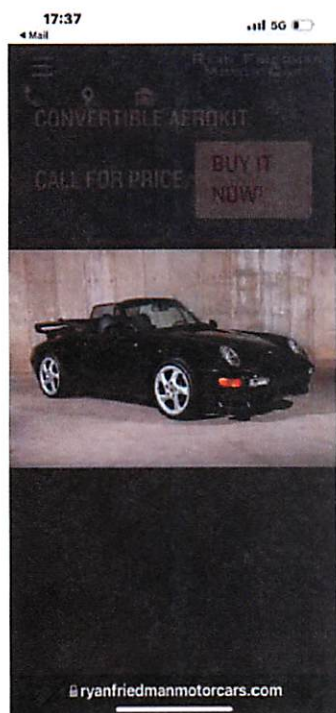
10 52. On or about January 31, 2022, \$252,375.00 was disbursed from  
11 Riverbank Loan No. 729 in the name of Defendant WILLIAM PHILIP  
12 WERSCHLER to Defendant Riverbank SPOKANE DERMATOLOGY CLINIC  
13 P.S.' Riverbank account ending in -4229. The note on the transfer is, "Werschler  
14 Personal." On or about January 31, 2022, Defendant WILLIAM PHILIP  
15 WERSCHLER caused a wire transfer of \$252,375.00 from Defendant SPOKANE  
16 DERMATOLOGY CLINIC, P.S.'s Riverbank account ending in -4229 to Ryan  
17 Friedman Motor Cars L.L.C. The listed purpose of the wire transfer was a vehicle  
18 purchase. In communications with Riverbank, C.C. indicated that Defendant  
19 WILLIAM PHILIP WERSCHLER requested the wire and stated, "We were going  
20 to initially wire from Mt. West but decided not to." C.C. noted that Defendant  
21 WILLIAM PHILIP WERSCHLER was cc'ed on the email "for approval."

22 53. On or about January 31, 2022, Defendant WILLIAM PHILIP  
23 WERSCHLER caused check number 5402 to be drawn from Defendant PREMIER  
24 CLINICAL RESEARCH, L.L.C.'s Mountain West Bank account ending in -7658 in  
25 the amount of \$252,375.00 to the order of Defendant SPOKANE DERMATOLOGY  
26 CLINIC, P.S. This check was deposited into the Riverbank account for Defendant  
27 SPOKANE DERMATOLOGY CLINIC, P.S. ending in -4229 on or about February  
28 2, 2022.



54. Prior to the deposit of check number 5402 on February 2, 2022, Defendant SPOKANE DERMATOLOGY CLINIC, P.S.'s Riverbank account ending in -4229 had a balance of approximately \$22,521.47. On or about February 2, 2022, \$200,000.00 was paid from account ending in -4229 to Riverbank Loan No. 729, with the note "payment for dr w personal draw." Loan No. 729 had been used to fund the purchase of the two Porsches from Ryan Friedman Motor Cars L.L.C.

55. On or about February 1, 2022, Defendant WILLIAM PHILIP WERSCHLER sent six images to C.C. via text message of two different automobiles, which were consistent with the automobiles in the purchase orders from Ryan Friedman Motor Cars L.L.C. and which appear to be screenshots from the Ryan Friedman Motor Cars L.L.C. website. Two of images sent by Defendant WILLIAM PHILIP WERSCHLER are set forth below:



56. On or about May 3, 2022, C.C. texted Defendant WILLIAM PHILIP WERSCHLER, "What is our reason for an increase" "For the sba loan." Defendant WILLIAM PHILIP WERSCHLER replied, "Buy more cars?" C.C. replied, "I said for payroll, rent and business expenses." Defendant WILLIAM PHILIP WERSCHLER texted, "Perfect."

1        57. On June 30, 2022, C.C. emailed an attorney at Stamper Rubens, P.S.,  
2 stating two individuals “are selling their house across the clinic” and that “[w]e are  
3 both in agreement of the sale price for both homes at \$550k.” C.C. further stated,  
4 “We are paying cash and the transaction will be under 3rd and Sherman LLC.”  
5 Defendant WILLIAM PHILIP WERSCHLER was cc’ed on the email. On or about  
6 June 30, 2022, C.C. texted Defendant WILLIAM PHILIP WERSCHLER, “Still  
7 can’t believe we are getting those two houses for \$550k lol.” Defendant WILLIAM  
8 PHILIP WERSCHLER electronically “liked” the text.

9        58. On or about July 11, 2022, Defendant WILLIAM PHILIP  
10 WERSCHLER signed a real estate purchase and sale agreement for 324 and 328 S.  
11 Grant Street, Spokane, Washington, listing the buyer as Defendant 3RD &  
12 SHERMAN PLAZA, L.L.C. On or about July 29, 2022, C.C. texted Defendant  
13 WILLIAM PHILIP WERSCHLER and his wife that she had “sent out an email to  
14 mt west for the wire. Approval is needed.” Defendant WILLIAM PHILIP  
15 WERSCHLER replied, “Ok.”

16        59. On or about July 29, 2022, Defendant WILLIAM PHILIP  
17 WERSCHLER caused a wire transfer from Defendant PREMIER CLINICAL  
18 RESEARCH, L.L.C.’s Mountain West Bank account ending in -7658 to Stamper  
19 Rubens, P.S. in the amount of \$533,143.13. On August 2, 2022, a second wire  
20 transfer was completed to Stamper Rubens, P.S. in the amount of \$20,000. On July  
21 29, 2022, a statutory warranty deed was executed granting 324 and 328 S. Grant  
22 Street, Spokane, to Defendant 3RD & SHERMAN PLAZA, L.L.C.

23                    SPOKANE DERMATOLOGY CLINIC, P.S.

24        60. On or about July 14, 2020, Defendant WILLIAM PHILIP  
25 WERSCHLER, submitted and caused to be submitted EIDL Application No.  
26 3310708609 to the SBA under the name Defendant SPOKANE DERMATOLOGY  
27 CLINIC, P.S. This application was submitted via interstate wires from IP address  
28 50.210.63.145 to the SBA’s Rapid Finance servers in Des Moines, Iowa. The



1 application listed Defendant WILLIAM PHILIP WERSCHLER as the sole owner  
2 of Defendant SPOKANE DERMATOLOGY CLINIC, P.S.

3 61. On or about August 4, 2020, Defendant WILLIAM PHILIP  
4 WERSCHLER electronically signed and caused to be signed a Loan Authorization  
5 and Agreement (LA&A) for Application No. 3310708609 and submitted it to the  
6 SBA via interstate wires from IP address 50.210.63.145. In the LA&A, Defendant  
7 WILLIAM PHILIP WERSCHLER agreed, promised, and represented that  
8 Defendant SPOKANE DERMATOLOGY CLINIC, P.S. would use the EIDL funds,  
9 “solely as working capital to alleviate economic injury caused by disaster.”  
10 Defendant WILLIAM PHILIP WERSCHLER also agreed, promised, and  
11 represented that he would not, without prior written consent of the SBA, make any  
12 distribution of Defendant SPOKANE DERMATOLOGY CLINIC, P.S.’s assets by  
13 way of loan, gift, bonus, or otherwise to any company owner, partner, or employee,  
14 or to any company directly or indirectly controlling, affiliated with, or controlled by  
15 Defendant SPOKANE DERMATOLOGY CLINIC, P.S. In signing the LA&A,  
16 Defendant WILLIAM PHILIP WERSCHLER agreed to be bound by its terms and  
17 conditions.

18 62. On or about August 4, 2020, Defendant, WILLIAM PHILIP  
19 WERSCHLER also electronically signed and caused to be signed a Security  
20 Agreement for Application No. 3310708609 and submitted it to the SBA via  
21 interstate wires from IP address 50.210.63.145. In the Security Agreement,  
22 Defendant WILLIAM PHILIP WERSCHLER agreed, promised, and represented  
23 that none of the \$150,000 in obligated EIDL funds “are or will be primarily for  
24 personal, family, or household purposes.” Defendant WILLIAM PHILIP  
25 WERSCHLER also represented in the Security Agreement that he had read and  
26 understood the meaning and effect all its terms.

27 63. On or about August 4, 2020, as a result of the representations, pretenses,  
28 and promises made and caused to be made by Defendant WILLIAM PHILIP

1 WERSCHLER the SBA approved EIDL Application No. 3310708609 in the amount  
2 of \$150,000. This loan was assigned SBA loan No. 2196978206. A third-party  
3 UCC handling charge of \$100 was deducted from the loan amount prior to  
4 disbursement. On or about August 6, 2020, an ACH transaction was completed via  
5 interstate wires transferring \$149,900 into Defendant SPOKANE  
6 DERMATOLOGY CLINIC, P.S.'s Riverbank account ending in -4229.

7 64. On February 18, 2021, SBA received a request to reconsider the amount  
8 of Defendant SPOKANE DERMATOLOGY CLINIC, P.S.'s EIDL. This request  
9 was denied as the EIDL of \$150,000 was at the current program maximum and SBA  
10 was unable to increase the amount.

11 65. On or about April 6, 2021, the SBA raised the maximum amount of an  
12 EIDL to \$500,000. On or about June 15, 2021, Defendant WILLIAM PHILIP  
13 WERSCHLER submitted and caused to be submitted, via interstate wires, a request  
14 for a modification of EIDL Application No. 3310708609-Mod-1 (Loan No.  
15 2196978206) in the name Defendant SPOKANE DERMATOLOGY CLINIC, P.S.,  
16 and seeking additional EIDL funds.

17 66. As part of the modification process, on or about September 28, 2021,  
18 Defendant WILLIAM PHILIP WERSCHLER electronically signed and caused to  
19 be signed an Amended LA&A for the modification of EIDL Application No.  
20 3310708609-Mod-1 (Loan No. 2196978206) and submitted it to the SBA via  
21 interstate wires from IP address 50.210.63.145. In the Amended LA&A, Defendant  
22 WILLIAM PHILIP WERSCHLER agreed, promised, and represented that  
23 Defendant SPOKANE DERMATOLOGY CLINIC, P.S. would use the EIDL funds,  
24 "solely as working capital to alleviate economic injury caused by disaster."  
25 Defendant WILLIAM PHILIP WERSCHLER also agreed, promised, and  
26 represented that he would not, without prior written consent of the SBA, make any  
27 distribution of Defendant SPOKANE DERMATOLOGY CLINIC, P.S.'s assets by  
28 way of loan, gift, bonus, or otherwise to any company owner, partner, or employee,

1 or to any company directly or indirectly controlling, affiliated with, or controlled by  
2 Defendant SPOKANE DERMATOLOGY CLINIC, P.S. In signing the Amended  
3 LA&A, Defendant WILLIAM PHILIP WERSCHLER agreed to be bound by its  
4 terms and conditions.

5 67. On or about September 28, 2021, Defendant, WILLIAM PHILIP  
6 WERSCHLER also electronically signed and caused to be signed an Amended  
7 Security Agreement for Application No. 3310708609-Mod-1 (Loan No.  
8 2196978206) and submitted it to the SBA via interstate wires from IP address  
9 50.210.63.145. In the Amended Security Agreement, Defendant WILLIAM PHILIP  
10 WERSCHLER agreed, promised, and represented that none of the \$500,000 in  
11 obligated EIDL funds “are or will be primarily for personal, family, or household  
12 purposes.” Defendant WILLIAM PHILIP WERSCHLER also represented in the  
13 Amended Security Agreement that he had read and understood the meaning and  
14 effect all its terms.

15 68. On or about October 1, 2021, as a result of the false representations,  
16 pretenses, and promises made and caused to be made by Defendant WILLIAM  
17 PHILIP WERSCHLER in the Amended LA&A and Amended Security Agreement  
18 for EIDL Loan Application No. 3310708609-Mod-1 (Loan No. 2196978206), the  
19 SBA approved the requested EIDL modification, increasing the amount of the EIDL  
20 to \$500,000. As such, the SBA authorized the disbursement of an additional  
21 \$350,000 to Spokane Dermatology Clinic.

22 69. On or about October 5, 2021, the SBA, through the use of interstate  
23 wires, completed an EFT from the FMS servers in Sterling, Virginia, of \$350,000 in  
24 EIDL funding to Defendant SPOKANE DERMATOLOGY CLINIC, P.S.’s account  
25 at Riverbank ending in -4229, located in Spokane, Washington. Prior to the transfer,  
26 the account contained \$4,514.15. The EIDL funds were disbursed solely to provide  
27 working capital to Defendant SPOKANE DERMATOLOGY CLINIC, P.S. to  
28 alleviate economic injury cause by the COVID-19 disaster.

70. On or about October 5, 2021, \$200,000 was transferred from Riverbank ending in -4229 to make a payment on Riverbank business line of credit Loan No. 729, which on or about August 25, 2021, had funded the purchase of personal real property at 7611 E. Medlock Dr., Scottsdale, Arizona, as discussed herein. The transfer served to pay off half of the \$400,000 debt owed on Loan 729 related to that purchase.

71. On or about October 11, 2021, WILLIAM PHILIP WERSCHLER texted C.C., "Any loan updates?" On or about October 12, 2021, C.C. texted Defendant WILLIAM PHILIP WERSCHLER the following image of the SBA online portal used to request EIDL loan modifications:

**SBA** U.S. Small Business Administration

William Werschler

**BUSINESS PROFILE** [Change Business](#)

Application #: 3310708609

Spokane Dermatology Clinic  
324 S SHERMAN ST  
SPOKANE, WA 99202

**Questions?**  
Call 1-800-659-2955  
TTY/TDD: 1-800-877-8339  
Monday-Friday 9 a.m.-3 p.m. ET

**Email the SBA**  
disastercustomerservice@sba.gov

### Select Amount

Amount of Loan

\$2,000,000.00

\$500,000 \$2,000,000

Choose loan amount between \$500,000.00 and \$2,000,000.00

LOAN BREAKDOWN		
Term	Interest Rate	Payment Frequency
30 Year(s)	3.75%	Monthly
Repayment Start	Third Party Filing Fee	Payment Amount
24 Months After Closing	\$100.00	\$9,872.00

**NOTE TO APPLICANT:** Selecting a loan amount does not mean that your loan has been approved. Further review of the application will be conducted.

**Loan Disclosure**  
Loan Security Requirement: (i) \$100 to \$25,000: Unsecured loan (ii) \$25,001 to \$200,000: Loan secured with all business assets (iii) \$200,001 and above: Loan secured with all

C.C. wrote that she was "Requesting 1.5 million for the clinic." Defendant WILLIAM PHILIP WERSCHLER liked the image.

72. On or about October 12, 2021, Defendant WILLIAM PHILIP

INDICTMENT - 24



1 WERSCHLER submitted and caused to be submitted, via interstate wires, a second  
2 request for a modification of EIDL Application No. 3310708609-Mod-2 (Loan No.  
3 2196978206) in the name Defendant SPOKANE DERMATOLOGY CLINIC, P.S.,  
4 and seeking additional EIDL funds. The SBA denied a second modification to the  
5 loan, noting its analysis showed Defendant SPOKANE DERMATOLOGY CLINIC,  
6 P.S. lacked an ability to repay the loan.

7 3RD & SHERMAN PLAZA, L.L.C.

8 73. On or about April 2, 2020, Defendant WILLIAM PHILIP  
9 WERSCHLER submitted and caused to be submitted EIDL Application No.  
10 3600539172 to the SBA under the name of Defendant 3RD & SHERMAN PLAZA,  
11 L.L.C., doing business as 3<sup>rd</sup> and Sherman Medical Plaza. The application was  
12 submitted via interstate wires to SBA servers in Des Moines, Iowa, from IP address  
13 50.210.63.145. The application listed Defendant WILLIAM PHILIP  
14 WERSCHLER as the sole owner of the business. The application stated the  
15 company was a medical services business with monthly revenue of \$47,552.24, 2019  
16 gross revenue of \$546,626, and 2019 rental properties of \$522,312.

17 74. On or about June 10, 2020, Defendant WILLIAM PHILIP  
18 WERSCHLER electronically signed and caused to be signed a Loan Authorization  
19 and Agreement (LA&A) for Application No. 3600539172 and submitted it to the  
20 SBA via interstate wires. In the LA&A, Defendant WILLIAM PHILIP  
21 WERSCHLER agreed, promised, and represented that Defendant 3RD &  
22 SHERMAN PLAZA, L.L.C. would use the EIDL funds, “solely as working capital  
23 to alleviate economic injury caused by disaster.” Defendant WILLIAM PHILIP  
24 WERSCHLER also agreed, promised, and represented that he would not, without  
25 prior written consent of the SBA, make any distribution of Defendant 3RD &  
26 SHERMAN PLAZA, L.L.C.’s assets by way of loan, gift, bonus, or otherwise to any  
27 company owner, partner, or employee, or to any company directly or indirectly  
28 controlling, affiliated with, or controlled by Defendant 3RD & SHERMAN PLAZA,

1 L.L.C. In signing the LA&A, Defendant WILLIAM PHILIP WERSCHLER agreed  
2 to be bound by its terms and conditions.

3 75. On or about June 10, 2020, Defendant, WILLIAM PHILIP  
4 WERSCHLER also electronically signed and caused to be signed a Security  
5 Agreement Application No. 3600539172 and submitted it to the SBA via interstate  
6 wires. In the Security Agreement, Defendant WILLIAM PHILIP WERSCHLER  
7 agreed, promised, and represented that none of the \$150,000 in obligated EIDL  
8 funds “are or will be primarily for personal, family, or household purposes.”  
9 Defendant WILLIAM PHILIP WERSCHLER also represented in the Security  
10 Agreement that he had read and understood the meaning and effect of all its terms.

11 76. On or about June 11, 2020, as a result of the false representations,  
12 pretenses, and promises made and caused to be made by Defendant WILLIAM  
13 PHILIP WERSCHLER the SBA approved EIDL Application No. 3600539172 in  
14 the amount of \$150,000. This loan was assigned SBA loan No. 1094157902. A  
15 third-party UCC handling charge of \$100 was deducted from the loan amount prior  
16 to disbursement. On or about June 12, 2020, an ACH transaction was completed via  
17 interstate wires transferring \$149,900 into Defendant 3RD & SHERMAN PLAZA,  
18 L.L.C.’s account ending in -9367 at Mountain West Bank.

19 77. On or about, April 26, 2021, Defendant WILLIAM PHILIP  
20 WERSCHLER submitted and caused to be submitted, via interstate wires, a request  
21 for a modification of EIDL Application No. Application No. 3600539172-Mod-1  
22 (SBA loan No. 1094157902) in the name Defendant 3RD & SHERMAN PLAZA,  
23 L.L.C., and seeking additional EIDL funds.

24 78. On July 20, 2021, the SBA noted that Defendant 3RD & SHERMAN  
25 PLAZA, L.L.C. tax records showed only \$205,000 in income, which was over a 50%  
26 variance from what was reported on the application. Accordingly, the SBA declined  
27 to fund the application.

28 79. On or about July 28, 2021, C.C. texted Defendant WILLIAM PHILIP



1 WERSCHLER and his wife, "I emailed the SBA yesterday to reconsider the 3rd and  
2 Sherman increase since they denied it." Defendant WILLIAM PHILIP  
3 WERSCHLER replied, "Great. Thanks."

4 80. On or about October 25, 2021, Defendant WILLIAM PHILIP  
5 WERSCHLER submitted or caused to be submitted to the SBA an amended tax  
6 return changing the business revenues for Defendant 3RD & SHERMAN PLAZA,  
7 L.L.C. The SBA then noticed, however, that the revenues for Defendant 3RD &  
8 SHERMAN PLAZA, L.L.C. were not listed on a Schedule C form for profit and loss  
9 from a business, but a Schedule E as supplemental income. On or about November  
10 19, 2021, the SBA adjusted the numbers on the application to match the tax records  
11 and to change the company from medical services to real estate.

12 81. On November 19, 2021, C.C. texted Defendant WILLIAM PHILIP  
13 WERSCHLER, "For third and Sherman. The most they will do for the increase is  
14 \$410k – we already have \$150k." Defendant WILLIAM PHILIP WERSCHLER  
15 replied, "That's still great" and told C.C. to accept the amount.

16 82. As part of the modification process, on or about November 19, 2021,  
17 Defendant WILLIAM PHILIP WERSCHLER electronically signed and caused to  
18 be signed an Amended LA&A for the modification of EIDL Application No.  
19 3600539172-Mod-1 (SBA loan No. 1094157902) and submitted it to the SBA via  
20 interstate wires. In the Amended LA&A, Defendant WILLIAM PHILIP  
21 WERSCHLER agreed, promised, and represented that Defendant 3RD &  
22 SHERMAN PLAZA, L.L.C. would use the EIDL funds, "solely as working capital  
23 to alleviate economic injury caused by disaster." Defendant WILLIAM PHILIP  
24 WERSCHLER also agreed, promised, and represented that he would not, without  
25 prior written consent of the SBA, make any distribution of Defendant 3RD &  
26 SHERMAN PLAZA, L.L.C.'s assets by way of loan, gift, bonus, or otherwise to any  
27 company owner, partner, or employee, or to any company directly or indirectly  
28 controlling, affiliated with, or controlled by Defendant 3RD & SHERMAN PLAZA,

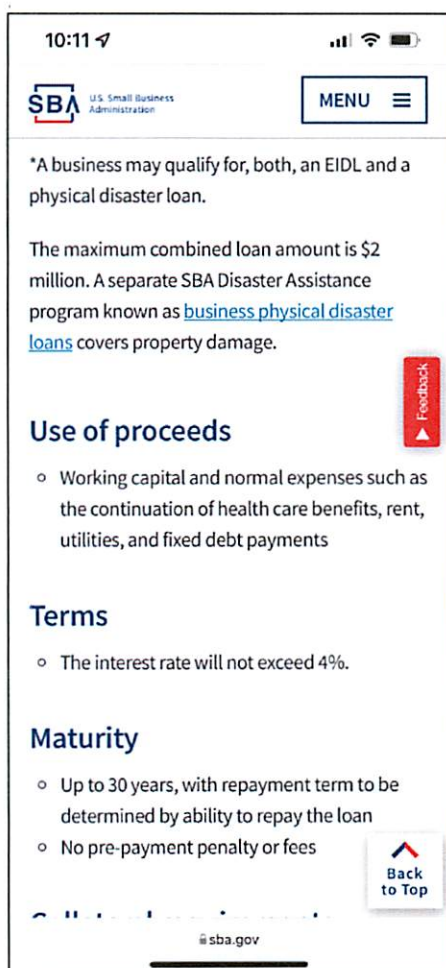
1 L.L.C. In signing the Amended LA&A, Defendant WILLIAM PHILIP  
2 WERSCHLER agreed to be bound by its terms and conditions.

3 83. On or about November 19, 2021, Defendant, WILLIAM PHILIP  
4 WERSCHLER also electronically signed and caused to be signed an Amended  
5 Security Agreement for Application No. 3600539172-Mod-1 (SBA loan No.  
6 1094157902) and submitted it to the SBA via interstate wires. In the Amended  
7 Security Agreement, Defendant WILLIAM PHILIP WERSCHLER agreed,  
8 promised, and represented that none of the \$410,200 in obligated EIDL funds “are  
9 or will be primarily for personal, family, or household purposes.” Defendant  
10 WILLIAM PHILIP WERSCHLER also represented in the Amended Security  
11 Agreement that he had read and understood the meaning and effect all its terms.

12 84. On or about, November 22, 2021, as a result of the false representations,  
13 pretenses, and promises made and caused to be made by Defendant WILLIAM  
14 PHILIP WERSCHLER in the Amended Loan Authorization and Agreement and  
15 Amended Security Agreement, the SBA approved the modification of Application  
16 No. 3600539172-Mod-1 (SBA loan No. 1094157902), increasing the total EIDL  
17 loan amount to \$410,200. As such, the SBA authorized the disbursement of an  
18 additional \$260,200 to Defendant 3RD & SHERMAN PLAZA, L.L.C. On or about  
19 November 24, 2021, the SBA, through the use of interstate wires, completed an EFT  
20 from the FMS servers in Sterling, Virginia, of \$260,200 in EIDL funding to  
21 Defendant 3RD & SHERMAN PLAZA, L.L.C.’s bank account at Mountain West  
22 Bank ending in -9367 located in Spokane, Washington. These funds were disbursed  
23 solely for use by Defendant 3RD & SHERMAN PLAZA, L.L.C. as working capital  
24 to alleviate economic injury caused by the COVID-19 disaster. Prior to the  
25 disbursement of the EIDL funds, the account ending in -9367 had a balance of  
26 approximately \$12,333.71.

27 85. On January 11, 2022, Defendant WILLIAM PHILIP WERSCHLER  
28 texted C.C., “Any other 2m loan extensions? 3<sup>rd</sup> and Sherman, SDC? In play.” C.C.

replied, “3rd and Sherman is maxed out at \$410k, we won’t get another increase. No updates on SDC. Still processing but I haven’t had a loan officer reach out. I don’t know if we can invest the eidl money. We can pay down debt and use the funds for working capital.” C.C. then sent the following image showing SBA information about the use of EIDL proceeds:



WILLIAM PHILIP WERSCHLER texted C.C., “Has to be a way. We can po the warehouse loan but that’s not PCR.”

86. On or about January 19, 2022, check number 4288 to be drawn from Defendant 3RD & SHERMAN PLAZA, L.L.C.’s account at Mountain West Bank ending in -9367 to the order of Riverbank in the amount of \$266,706.46 with the memo “Pay Off for Loan #1942.” On or about January 19, 2022, this check was used to pay off the entire remaining balance on Riverbank Loan No. 1942.

87. Records from Riverbank show that Loan No. 1942 was opened on or



1 about May 21, 2020, by Defendant WILLIAM PHILIP WERSCHLER as a business  
2 line of credit in the amount of \$275,000.00 in his own name. On or about May 21,  
3 2020, Defendant WILLIAM PHILIP WERSCHLER drew the full \$275,000.00 from  
4 the line of credit, paying \$146,154.70 to Riverbank Loan No. 1374, \$123,960.13 to  
5 Allegro Escrow, and another \$4,885.17 for various real estate charges.

6 88. Records from Allegro Escrow show that it serviced payments for  
7 property 6720 N. Pittsburg Street, purchased by Defendant WILLIAM PHILIP  
8 WERSCHLER on or about April 27, 2017. These records also confirm that Allegro  
9 Escrow received a wire from sender Defendant WILLIAM PHILIP WERSCHLER  
10 on May 27, 2020, in the amount of \$123,960.13 to pay off the account, which  
11 corresponds with the disbursement from Riverbank loan number 1942. Loan  
12 number 1942 was then paid off on or about January 19, 2022, with EIDL funds the  
13 SBA provided to Defendant 3RD & SHERMAN PLAZA, L.L.C. on the  
14 representation those funds would be used solely as working capital for that business.

15 89. Photos of 6720 N. Pittsburg St. from an April 28, 2020, real estate  
16 evaluation inspection report file show that, while owned by Defendant WILLIAM  
17 PHILIP WERSCHLER, the unit was used to store automobiles, jet skis, and a boat:



View of subject's interior looking north of storage area.



View of subject's interior looking NE of storage area.



View of subject's interior looking west of storage area.



View of subject's interior looking NW of storage area.

1 COUNT 1

2 (Conspiracy to Commit Wire Fraud)

3 90. The allegations in paragraph 1 through 89 of this Indictment are  
4 incorporated as though realleged herein. Furthermore, the allegations in each other  
5 Count of this Indictment are hereby incorporated in this Count.

6 91. Beginning no later than in or about April 2020 and continuing until at  
7 least July 2022, in the Eastern District of Washington, and elsewhere, Defendants  
8 WILLIAM PHILIP WERSCHLER, SPOKANE DERMATOLOGY CLINIC, P.S.,  
9 PREMIER CLINICAL RESEARCH, L.L.C., and 3RD & SHERMAN PLAZA,  
10 L.L.C., and others known and unknown to the Grand Jury, knowingly and willfully  
11 combined, conspired, and agreed to devise and participate in a scheme or plan to  
12 defraud or obtain money or property by materially false or fraudulent pretenses,  
13 representations, or promises, and thereby use or cause to be used an interstate wire,  
14 in violation of 18 U.S.C. § 1343, all in violation of 18 U.S.C. § 1349.

15 COUNTS 2-18

16 (Wire Fraud)

17 92. The allegations in paragraphs 1 through 91 of this indictment are  
18 incorporated as though realleged herein. Furthermore, the allegations in each other  
19 Count of this Indictment are hereby incorporated in the Counts below.

20 93. On or about the dates below, Defendants WILLIAM PHILIP  
21 WERSCHLER, SPOKANE DERMATOLOGY CLINIC, P.S., PREMIER  
22 CLINICAL RESEARCH, L.L.C., and 3RD & SHERMAN PLAZA, L.L.C., and  
23 others known and unknown to the Grand Jury, in the Eastern District of Washington  
24 and elsewhere, for the purpose of executing the scheme described above, transmitted  
25 and caused to be transmitted by means of wire communication in interstate  
26 commerce the signals and sounds described below for each count, each transmission  
27 constituting a separate count:

28 //

Count	Defendant(s)	Date	Description
2	WILLIAM PHILIP WERSCHLER; and PREMIER CLINICAL RESEARCH, L.L.C.	April 26, 2021	EIDL Modification Request submitted to the SBA for EIDL Application number 3311496154- od- 1 (SBA Loan No. 9234608204), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
3	WILLIAM PHILIP WERSCHLER; and PREMIER CLINICAL RESEARCH, L.L.C.	July 21, 2021	Amended LA&A and Amended Security Agreement submitted to the SBA for EIDL Application number 3311496154-Mod-1 (SBA Loan No. 9234608204), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
4	WILLIAM PHILIP WERSCHLER; and PREMIER CLINICAL RESEARCH, L.L.C.	July 27, 2021	EFT disbursement of \$350,000 to Mountain West Bank account ending - 7658, resulting in an interstate wire transmission into the Eastern District of Washington from outside the District.
5	WILLIAM PHILIP WERSCHLER; 3RD & SHERMAN PLAZA, L.L.C.; and SPOKANE DERMATOLOGY CLINIC, P.S.	August 24, 2021	\$400,000 wire transfer from Riverbank account ending -4229 to Mountain West Bank account ending -9367, resulting in an interstate wire transmission from the Eastern District of Washington to outside the District.



6	WILLIAM PHILIP WERSCHLER; and 3RD & SHERMAN PLAZA, L.L.C.	August 25, 2021	\$566,720.87 wire transfer from Mountain West Bank account ending -9367 to First American Title Company, resulting in an interstate wire transmission from the Eastern District of Washington to outside the District.
7	WILLIAM PHILIP WERSCHLER; and PREMIER CLINICAL RESEARCH, L.L.C.	September 12, 2021	Second EIDL Modification Request submitted to the SBA for EIDL Application number 3311496154-Mod-2 (SBA Loan No. 9234608204), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
8	WILLIAM PHILIP WERSCHLER; and PREMIER CLINICAL RESEARCH, L.L.C.	January 6, 2022	Amended LA&A and Amended Security Agreement submitted to the SBA for EIDL Application number 3311496154-Mod-2 (SBA Loan No. 9234608204), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
9	WILLIAM PHILIP WERSCHLER; and PREMIER CLINICAL RESEARCH, L.L.C.	January 11, 2022	EFT disbursement of \$1,500,000 to Mountain West Bank account ending -7658, resulting in an interstate wire transmission into the Eastern District of Washington from outside the District.
10	WILLIAM PHILIP WERSCHLER;	January 31, 2022	\$252,375.00 wire transfer from Riverbank account ending -4229 to Ryan Friedman Motor Cars L.L.C., resulting in an

	PREMIER CLINICAL RESEARCH, L.L.C.; and SPOKANE DERMATOLOGY CLINIC, P.S.		interstate wire transmission from the Eastern District of Washington to outside the District.
11	WILLIAM PHILIP WERSCHLER; PREMIER CLINICAL RESEARCH, L.L.C.; and 3RD & SHERMAN PLAZA, L.L.C.	July 29, 2022	\$533,143.13 wire transfer from Mountain West Bank account ending -7658 to Stamper Rubens, P.S., resulting in an interstate wire transmission from the Eastern District of Washington to outside the District.
12	WILLIAM PHILIP WERSCHLER; and SPOKANE DERMATOLOGY CLINIC, P.S.	June 15, 2021	EIDL Modification Request submitted to the SBA for EIDL Application number 3310708609- od- (SBA Loan No. 21969 78206), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
13	WILLIAM PHILIP WERSCHLER; and SPOKANE DERMATOLOGY CLINIC, P.S.	September 28, 2021	Amended LA&A and Amended Security Agreement submitted to the SBA for EIDL Application number 3310708609- Mod-1 (SBA Loan No. 2196978206), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
14	WILLIAM PHILIP	October 5, 2021	EFT disbursement of \$350,00 to Riverbank account ending -4229, resulting

	WERSCHLER; and SPOKANE DERMATOLOGY CLINIC, P.S.		in an interstate wire transmission into the Eastern District of Washington from outside the District.
15	WILLIAM PHILIP WERSCHLER; and SPOKANE DERMATOLOGY CLINIC, P.S.	October 12, 2021	Second EIDL Modification Request submitted to the SBA for EIDL Application number 3310708609-Mod-2 (SBA Loan No. 2196978206), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
16	WILLIAM PHILIP WERSCHLER; and 3RD & SHERMAN PLAZA, L.L.C.	April 26, 2021	EIDL Modification Request submitted to the SBA for EIDL Application number 3600539172-Mod-1 (SBA Loan No. 1094157902), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
17	WILLIAM PHILIP WERSCHLER; and 3RD & SHERMAN PLAZA, L.L.C.	November 19, 2021	Amended LA&A and Amended Security Agreement submitted to the SBA for EIDL Application number 3600539172-Mod-1 (SBA Loan No. 1094157902), resulting in an interstate wire transmission from the Eastern District of Washington the District of Iowa.
18	WILLIAM PHILIP WERSCHLER; and 3RD & SHERMAN PLAZA, L.L.C.	November 24, 2021	EFT disbursement of \$260,200 to Mountain West Bank account ending - 9367, resulting in an interstate wire transmission into the Eastern District of Washington from outside the District.

All in violation of 18 U.S.C. § 1343.

COUNTS 19 – 23

(False, Fictitious, or Fraudulent Claims)

94. The allegations in paragraphs 1 through 93 of this Indictment are incorporated as though realleged herein. Furthermore, the allegations in each other Count of this Indictment are hereby incorporated in these Counts.

95. On or about each of the dates set forth below, in the Eastern District of Washington, the Defendants WILLIAM PHILIP WERSCHLER, SPOKANE DERMATOLOGY CLINIC, P.S., PREMIER CLINICAL RESEARCH, L.L.C., and 3RD & SHERMAN PLAZA, L.L.C., made and presented to the United States Small Business Administration claims concerning EIDL applications, knowing said claims were false and fraudulent, and knowing the information submitted was materially false and fraudulent, described below for each count, each claim constituting a separate count:

Count	Defendant(s)	Date	Description
19	WILLIAM PHILIP WERSCHLER; and PREMIER CLINICAL RESEARCH, L.L.C.	April 26, 2021	EIDL Modification Request submitted to the SBA for EIDL Application number 3311496154-Mod-1 (SBA Loan No. 9234608204)
20	WILLIAM PHILIP WERSCHLER; and PREMIER CLINICAL RESEARCH, L.L.C.	September 12, 2021	Second EIDL Modification Request submitted to the SBA for EIDL Application number 3311496154-Mod-2 (SBA Loan No. 9234608204)
21	WILLIAM PHILIP WERSCHLER; and SPOKANE DERMATOLOGY CLINIC, P.S.	June 15, 2021	EIDL Modification Request submitted to the SBA for EIDL Application number 3310708609-Mod-1 (SBA Loan No. 2196978206)

22	WILLIAM PHILIP WERSCHLER; and SPOKANE DERMATOLOGY CLINIC, P.S.	October 12, 2021	Second EIDL Modification Request submitted to the SBA for EIDL Application number 3310708609-Mod-2 (SBA Loan No. 2196978206)
23	WILLIAM PHILIP WERSCHLER; and 3RD & SHERMAN PLAZA, L.L.C.	April 26, 2021	EIDL Modification Request submitted to the SBA for EIDL Application number 3600539172-Mod-1 (SBA Loan No. 1094157902)

All in violation of 18 U.S.C. §§ 287, 2.

#### NOTICE OF CRIMINAL FORFEITURE ALLEGATIONS

The allegations set forth in this Indictment are hereby realleged and incorporated herein by this reference for the purpose of alleging forfeitures.

Pursuant to 18 U.S.C. § 981(a)(1)(C) and 28 U.S.C. § 2461(c), upon conviction of the wire fraud offenses in violation of 18 U.S.C. §§ 1343, 1349, and/or 18 U.S.C. § 1343, as set forth in this Indictment, the Defendants, WILLIAM PHILIP WERSCHLER, SPOKANE DERMATOLOGY CLINIC, P.S., PREMIER CLINICAL RESEARCH, L.L.C., and 3RD & SHERMAN PLAZA, L.L.C., shall forfeit to the United States any property, real or personal, which constitutes or is derived from proceeds traceable to the offense. The property to be forfeited includes, but is not limited to, the following:

#### MONEY JUDGMENT

A sum of money in United States currency, representing the amount of proceeds obtained by the Defendants as a result of the wire fraud violations.

#### REAL PROPERTIES:

**Real property known as 324 and 328 South Grant Street, Spokane, Washington, legally described as follows:**



1 Lots 5 and 6, Block 4, Chandler's Addition, as per Plat  
2 recorded in Volume "A" of Plats, Page 183; Situate in the City of Spokane,  
3 County of Spokane, State of Washington.

4  
5 Together with all appurtenances, fixtures, attachments, and  
6 improvements thereto and thereupon.

7  
8 Subject to all easements, restrictions, reservations and covenants of  
9 record.

10 Tax Parcel Nos. 35202.3205 and 35202.3206

11 **Real property known as 6720 North Pittsburg Street, Spokane,**  
12 **Washington, legally described as follows:**

13  
14 Unit N. 6720, Main Floor, 1st Amended Lyons Park Warehouse  
15 Condominium, Phase 1 Warehouse, a Condominium, according to  
16 Declaration thereof recorded under Spokane County recording No. 5349122;  
17 Said Unit is located on Survey Map and Plans filed in Volume 7 of  
18 Condominiums, at Page 87A, in the City of Spokane, Spokane County,  
19 Washington.

20  
21 Together with all appurtenances, fixtures, attachments and  
22 improvements thereto and thereupon.

23  
24 Subject to all easements, restrictions, reservations and covenants of  
25 record.

26 Tax Parcel No. 36283.2924

27 **Real property known as 7611 East Medlock Drive, Scottsdale, Arizona,**  
28 **legally described as follows:**

1 Unit 26, of Scottsdale in Towne Villas according to the Declaration of  
2 Horizontal Property Regime recorded August 11, 1977 in Docket 12368, Page  
3 631; and amended in Docket 12614, Page 27; and Notice of Policy on  
4 Insurance recorded as 2012-0218388; and second amendment recorded as  
5 2020-0793360, of official records and per map recorded August 11, 1977 as  
6 Book 192 of Maps, Page 6; and amended December 21, 1977 as Book 195 of  
7 Maps, Page 6, the Office of the County Recorder of Maricopa County,  
8 Arizona.

9 Together with a proportionate interest in and to the common areas, as set forth  
10 in said Declaration of Horizontal Property Regime and as shown on said Plat.

11  
12 Together with all appurtenances, fixtures, attachments and improvements  
13 thereto and thereupon.

14  
15 Subject to existing taxes, assessments, covenants, conditions, restrictions,  
16 rights of way, easements and all other matters of record.

17  
18 A.P.N.: 173-78-341

19 CONVEYANCES

- 20 - a 1997 Porsche Carrera, VIN: WP0CA2996VS342006,  
21  
22 - a 2011 Porsche 911 GT3, VIN: WP0AC2A97BS783331

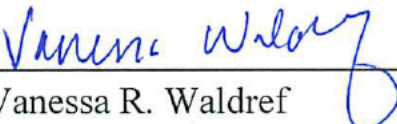
23 If any of the forfeitable property described above, as a result of any act or  
24 omission of the Defendants:

- 25 a. cannot be located upon the exercise of due diligence;  
26 b. has been transferred or sold to, or deposited with, a third party;  
27 c. has been placed beyond the jurisdiction of the court;  
28 d. has been substantially diminished in value; or  
e. has been commingled with other property which cannot be divided  
without difficulty,

1 the United States of America shall be entitled to forfeiture of substitute property  
2 pursuant to 21 U.S.C. § 853(p), as incorporated by 18 U.S.C. § 981(b)(1) and 28  
3 U.S.C. § 2461(c).

4  
5  
6  
7 DATED this 17<sup>th</sup> day of October, 2024.

8 A TRUE BILL

9  
10  
11  
12  
13   
14 Vanessa R. Waldref  
15 United States Attorney

16  
17   
18 Dan Fruchter  
19 Assistant United States Attorney

20  
21   
22 Jeremy J. Kelley  
23 Assistant United States Attorney  
24  
25  
26  
27  
28